

“Work Opportunity Tax Credit” for Businesses That Hire Veterans Set to Expire End of 2010

New Windsor, NY – With unemployment among young veterans in New York nearly 20 percent, Congressman John Hall (NY-19) and U.S. Senator Kirsten Gillibrand (NY) announced today a new effort to make tax credits for businesses that hire recent veterans permanent. The announcement was made at the National Purple Heart of Honor here, with several veterans and Purple Heart recipients in attendance.

The Work Opportunity Tax Credit, which Rep. Hall and Sen. Gillibrand helped establish as part of the American Recovery and Reinvestment Act that was signed into law in 2009, is set to expire at the end of this year, encourages businesses to hire recently-returned Iraq and Afghanistan troops in exchange for a 40 percent credit on the first \$6,000 paid to a veteran. The veteran needs to be out of the service for no more than five years. Extending the credit would enable more returning veterans an opportunity to find work as the economy improves and help those businesses who've committed to hiring our recent veterans.

Prior to the announcement, Rep. Hall and Sen. Gillibrand were given a tour of the National Purple Heart Hall of Honor by its director, Anita Pidala, and Mike Ali from the Military6 Order of the Purple Heart.

“More than 500 veterans here in New York have been hired already using the tax credit, which is due to expire at the end of this year, just as thousands of veterans are returning from Iraq,” said Rep. Hall. “Extending this tax credit is a critical step towards helping these veterans acclimate to civilian life.”

“Too many veterans are still coming home to a very bad job market and struggling to find work,” Sen. Gillibrand said. “They fulfilled their duty to our country, and now it’s time for us to fulfill our duty to them by making sure they have access to a good-paying job. The tax breaks we put in place are a win-win for businesses and veterans, and now we need to make them permanent so we can continue supporting businesses, create jobs, and put more of our veterans to work as they come home to their families so they can succeed in the economy.”

New estimates based on data from the New York State Department of Labor and the U.S. Census indicate that nearly 20 percent of veterans under the age of 30 are unemployed, and more than 7 percent of all veterans across New York State are unemployed. Nearly 8,000 New York veterans, including 870 in the Hudson Valley, under the age of 30 are unemployed. The Defense Department would also be required to issue information about the tax credit to exiting service members, and provide documentation to demonstrate their eligibility for the credit.